

**City Council Regular Meeting**

**DEPARTMENT:** Development Services  
**FROM:** Tony D. McIlwain, Development Services Director  
**MEETING:** February 16, 2026

**SUBJECT:**

Consider and take possible action on a Neighborhood Empowerment Zone incentive policy.  
*(Staff Contact: Tony D. McIlwain, Development Services Director)*

**STRATEGIC PRIORITY AND GOAL(S):**

	<p><b>Dynamic &amp; Preferred City</b> Through Managed Growth</p>	<p>2.1 Promote sustainable residential and commercial development through strategic and long-term planning</p>
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**SUMMARY:**

A Neighborhood Empowerment Zone (NEZ) is a municipal planning and development program/tool that allows a municipality to designate a defined geographic area for the purpose of providing municipal property tax abatements, fee waivers, release of city liens, etc. These incentives are designed to promote affordable housing, economic development and expanded services, and are available to property owners who build or rehabilitate property within a NEZ.

**RECOMMENDATION:**

Staff is recommending approval of the proposed NEZ incentive policy.

**PRIOR ACTION/INPUT (Council, Boards, Citizens):**

*August 21, 2024:* Staff provided a briefing to the Council Policy and Valuation Committee on several facets of NEZs.

*April 23, 2025:* The Council Policy and Valuation Committee approved a motion to take the item to forward to the full Council.

August 4, 2025: Council received a briefing on Neighborhood Empowerment Zones and directed staff to proceed with identifying incentives.

January 5, 2026: Council received a briefing on the proposed Neighborhood Empowerment Zone Incentive policy.

**REFERENCE:**

Insert CSO# if applicable  
Insert resolution or ordinance change

**FISCAL IMPACT:**

Proposed Expenditure/Revenue: n/a  
Account Number(s): n/a  
Fund: n/a  
Account Description: n/a  
Procurement Method: n/a

**STAFF CONTACT:**

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